

Message Text

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ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 IO-11 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 OMB-01 /081 W

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R 130841Z FEB 76

FM AMEMBASSY TEL AVIV

TO SECSTATE WASHDC 170

INFO AMEMBASSY AMMAN

AMEMBASSY BEIRUT

AMEMBASSY CAIRO

AMEMBASSY DAMASCUS

AMEMBASSY LONDON

AMCONSUL JERUSALEM

C O N F I D E N T I A L SECTION 1 OF 2 TEL AVIV 1088

E.O. 11652: GDS

TAGS: PFOR PINT IS US

SUBJ: ISRAELI POLITICAL SCENE AFTER RABIN'S U.S. VISIT

BEGIN SUMMARY: ARMS SUPPLY LIST AFFAIR HAS SHARPENED RABIN-PERES RIVALRY, WEAKENED RABIN'S DOMESTIC STANDING, AND CAST A SHADOW OVER COALITION'S STABILITY. MOST LIKELY PROSPECT IS THAT CURRENT TENSIONS WILL SUBSIDE AND COALITION WILL CONTINUE INTACT, BUT NEITHER EARLY ELECTION NOR RESIGNATION OF EITHER RABIN OR PERES OVER MATTER OF PRINCIPLE (E.G., WEST BANK WITHDRAWALS) OR NEW FLAP CAN BE ENTIRELY RULED OUT. MUCH DEPENDS ON WHETHER RABIN AND PERES CAN MAINTAIN THEIR HITHERTO EFFECTIVE WORKING RELATIONSHIP. REACTIONS TO ARMS SUPPLY AFFAIR HAVE HIGHLIGHTED INTERACTION BETWEEN LEADERSHIP RIVALRIES, DOMESTIC POLITICS, AND ISRAELI APPROACH TO MAJOR NEGOTIATING ISSUES. HARDLINERS ARE LOOKING TO PERES TO BLOCK JORDANIAN OPTION LEADING TO POSSIBLE WEST BANK WITHDRAWALS, AND HAVE FLOATED TRIAL BALLOON OF ALTERNATE LIKUD/NRP/RAFI COALITION. EROSION OF RABIN'S DOMESTIC POSITION

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IS LIKELY TO REINFORCE FURTHER THIS PROOCLIVITY

FOR MOVING SLOWLY AND DEFERRING HARD DECISIONS UNTIL
AFTER U.S. ELECTION. END SUMMARY.

1. "ARMS SUPPLY LIST AFFAIR" HAS BROUGHT TO SURFACE REBIN-PERES RIVALRY, AGAIN RAISED QUESTION OF WHETHER SENIOR ISRAELI LEADERSHIP CAN WORK EFFECTIVELY TOGETHER, AND PUT IN SHARP RELIEF WEAKNESSES OF RABIN COALITION. STABILITY OF COALITION DEPENDS, TO LARGE EXTENT, ON WHETHER RABIN AND PERES CAN AGREE ON A MODUS VIVENDI IN MONTHS AHEAD.

2. IT HAS LONG BEEN KNOWN THAT PERES ASPIRES SOMEDAY TO BECOME PRIME MINISTER, ALTHOUGH SINCE PRESENT GOVERNMENT WAS FORMED HE HAS MADE NO OVERT MOVES IN THAT DIRECTION. AS DEFENSE MINISTER, PERES HAS PLAYED MAJOR ROLE IN KEY FOREIGN POLICY AND SECURITY DECISIONS. HE WAS PARTICULARLY INFLUENTIAL IN DETERMINING ISRAELI APPROACH TO SINAI II NEGOTIATIONS AND DECISION TO GO FOR U.S. TECHNICIANS IN SINAI. ALTHOUGH RABIN AND PERES AGREED AT OUTSET TO SEEK COOPERATIVE WORKING RELATIONSHIP, IN PRACTICE BUILT-IN RIVALRY HAS LED TO RECURRENT TENSIONS. APPOINTMENT OF ARIEL SHARON AS GENERAL ADVISOR TO PRIME MINISTER IN JUNE 1975 WAS FIRST OVERT SIGN OF INTERNAL POWER-PLAY, AND WAS CLEARLY RESENTED BY PERES AND CHIEF-OF-STAFF GUR. PRESS LEAKS OVER DISAGREEMENTS BETWEEN PRIME MINISTER'S OFFICE AND DEFENSE MINISTRY REGARDING MILITARY BUDGET ALSO RANKLED PERES. "SENIOR SOURCE" BACKGROUNDER ON ARMS LIST--DESPITE RABIN'S CLARIFICATION THAT HE HAD NOT INTENDED PERSONAL ATTACK ON PERES--ONLY POURED SALT INTO BARELY-HEALED WOUND.

3. BROAD CONSENSUS OF ISRAELI POLITICIANS IS THAT ARMS LIST FLAP HAS WEAKENED RABIN'S DOMESTIC STANDING, AND THAT HE HAS BEEN UNABLE SO FAR TO UNDO THE DAMAGE. COMMENTATORS AGAIN ARE VOICING CRITICISM ABOUT SHORTCOMINGS OF RABIN'S POLITICAL STYLE AND WORKING METHODS, CHARGING HIM WITH TRYING TO IMPOSE A "PRESIDENTIAL" REGIME AND OF BEING INCAPABLE OF FUNCTIONING WITHIN A PARLIAMENTARY SYSTEM. HE REPORTEDLY FAILED TO SEND BACK DISPATCHES TO HIS CABINET COLLEAGUES DURING HIS U.S. VISIT AND LEFT THEM DEPENDENT UPON REPORTS BY ISRAELI PRESS CORPS. THERE IS ALSO FRESH QUESTIONING, AND NOT ONLY CONFIDENTIAL

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FROM OPPOSITION RANKS, AS TO WHETHER RABIN CAN STAND UP TO PRESSURE AND HOW HE WOULD RESPOND TO REAL EMERGENCY.

4. ISRAELI GOVERNMENT, ALWAYS SCRUTINIZED UNDER MAGNIFYING GLASS OF FOREIGN AND DOMESTIC PRESS CORPS, IS BEING GIVEN ROUGH TREATMENT INDEED THESE DAYS. COMMENTATORS HAVE HIGHLIGHTED FREQUENT REVERSALS OF GOVERNMENT DECISIONS UNDER PRESSURE AS DEMONSTRATING EROSION OF ITS AUTHORITY AND

CREDIBILITY. LONG LIST INCLUDES FAILURE TO CARRY OUT REORGANIZATION OF GOVERNMENT MINISTRIES, BACK-TRACKING ON PROPOSED FISCAL MEASURES, COMPROMISE WITH SEBASTIA SETTLERS, DEFERRAL OF DECISION TO CLOSE TIMNA COPPER MINES, AND EDITORIAL BACKLASH AGAINST POLITICAL CENSORSHIP PROPOSALS.

5. SINCE RABIN'S RETURN ALL THESE CRITICISMS AND DOUBTS HAVE AGAIN COME TO THE FORE. PERES HIMSELF HAS KEPT FAIRLY QUIET, AT LEAST FOR THE PUBLIC RECORD, BUT SEVERAL HARDLINE MK'S HAVE FLOATED "TRIAL BALLOON" OF ALTERNATE CENTER-RIGHT GOVERNMENT (LIKUD/NRP/RAFI). ALTHOUGH MOST OBSERVERS DISMISSED THIS AS UNREALISTIC--SINCE RAFI IS NOT SEEKING TO BREAK AWAY NOR COULD SUCH A GROUPING COMMAND A MAJORITY WITHOUT ADDITIONAL SUPPORT FROM OTHER PARTIES--THEY REGARDED IT AS PORTENT OF WHAT MIGHT BE ATTEMPTED IF CRISIS DEVELOPS HERUT LEADER BEGIN, APPEARING ON PRIME TIME TV PROGRAM FEBRUARY 10, SAID THAT HE WOULD BE GLAD TO SERVE IN GOVERNMENT UNDER PERES' LEADERSHIP. AT SAME TIME, PERES' FORMER CHIEF ADVISOR AT DEFENSE MINISTRY (YUVAL NEEMAN), WHO RESIGNED FIVE MONTHS AGO IN OPPOSITION TO SINAI II, HAS PUBLISHED IN-DEPTH ATTACK ON RABIN FOREIGN POLICY, CHARGING THAT ISRAEL IS RAPIDLY BECOMING A TOTALLY DEPENDENT SATELLITE OF U.S WHICH IS INTENT ON SQUEEZING ADDITIONAL TERRITORIAL CONCESSIONS FROM IT IN ORDER TO ADVANCE U.S.'S LARGER MIDDLE EAST INTERESTS. (SEPTTEL)

6. THE JORDANIAN OPTION. PERSONAL RIVALRIES AND DOMESTIC POLITICAL INFIGHTING ARE INEVITABLY LINKED TO DIFFERENCES IN

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ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 IO-11 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 OMB-01 /081 W

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R 130841Z FEB 76

FM AMEMBASSY TEL AVIV

TO SECSTATE WASHDC 171

INFO AMEMBASSY AMMAN
AMEMBASSY BEIRUT
AMEMBASSY CAIRO
AMEMBASSY DAMASCUS
AMEMBASSY LONDON
AMCONSUL JERUSALEM

C O N F I D E N T I A L SECTION 2 OF 2 TEL AVIV 1088

APPROACH OF SENIRO LEADERSHIP TO ARAB-ISRAELI NEGOTIATIONS. SPECULATION REGARDING U.S./ISRAELI CONSIDERATION OF JORDANIAN OPTION AGAIN HAS FOCUSED ATTENTION HERE ON HIGHLY SENSITIVE WEST BANK ISSUE. RABIN COALITION IS DIVIDED BETWEEN MODERATE LABOR ALIGNMENT ELEMENTS FAVORING EXPLORATION OF SUCH AN OPTION AND RAFI/NRP HARDLINERS OPPOSED TO WITHDRAWALS FROM WEST BANK. ISRAELI "HAWKS" CLEARLY ARE LOOKING TO PERES AS ALTERNATIVE TO RABIN IF, UNDER U.S. "PRESSURE," ISRAEL ENTERED INTO NEGOTIATIONS WITH JORDAN WHICH MIGHT LEAD TO SUCH WITHDRAWALS. PERES' STATED PREFERENCE, IT WILL BE RECALLED, IS FOR CONFEDERAL SOLUTION AND FORMALIZATION OF JORDANIAN CIVILIAN ADMINISTRATION ON WEST BANK WITHOUT ISRAELI WITHDRAWALS. NEEMAN HAS HEIGHTENED ISRAELI ANXIETIES ABOUT IMPLICATIONS OF WHAT IS AT STAKE BY MAKING SCARY PREDICTION THAT, IN CASE ARAB ARMEIES ATTACKED ISRAEL FROM WEST BANK, ISRAEL WOULD HAVE TO ABSORB 50-100,000 CASUALTIES BEFORE SUCH ADVANCE COULD BE STOPPED. BEGIN IMMEDIATELY PICKED UP THIS THEME IN HIS TV INTERVIEW.

7. WHAT NEXT? LOCAL OBSERVERS ARE SINGULARLY CHARY ABOUT
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PREDICTING WHAT MAY HAPPEN, BUT FOLLOWING POSSIBILITIES ARE MENTIONED: A) RABIN GOVERNMENT CONTINUES IN ITS PRESENT COMPOSITION, BUT WEAKENED FROM WITHIN AND INCAPABLE OF TAKING HARD DECISIONS; B) THERE ARE EARLY ELECTIONS AS RESULT OF JORDANIAN-ISRAELI NEGOTIATIONS OR OTHER DEVELOPMENT; C) RABIN OR PERES PRECIPITATE CRISIS BY RESIGNING OVER ISSUE OF PRINCIPLE (E.G., WEST BANK WITHDRAWALS), INTERNAL POLITICAL DISPUTE OR EVEN RELATIVELY MARGINAL ISSUE. LABOR ALIGNMENT AND LIKED POLITICKIANS WITH WHOM WE HAVE SPOKEN THIS WEEK MAINTAIN THAT RABIN'S STRONGEST CARD REMAINS FACT THAT THERE IS NO ALTERNATIVE TO HIM. IN EXPLORING WHAT IS MEANT BY THIS, IT BECOMES CLEAR THAT THIS IS WAY OF SAYING THAT OTHER POTENTIAL CONTENDERS WITHIN LABOR PARTY HAVE OTHER LIABILITIES. AS LATE AS MARCH 1974, IT WILL BE RECALLED, MANY LABOR PARTY LEADERS WERE CLAIMING THAT THERE WAS NO ALTERNATIVE TO GOLDA MEIR AND APPEALING TO HER TO CONTINUE IN OFFICE. IT TOOK MAJOR UPHEAVAL IN WAKE OF OCTOBER WAR, HOWEVER, TO BRING LABOR PARTY (OR AT LEAST LARGE PARTS OF IT) TO TURN AGAINST HER.

8. IMPLICATIONS FOR U.S. FOREIGN POLICY. ISRAELI DOMESTIC POLITICAL SCENE IS MORE UNCERTAIN THAN IT WAS BEFORE RABIN WENT TO WASHINGTON. ON BALANCE WE ARE INCLINED TO THINK THAT CURRENT TENSIONS WILL SUBSIDE AGAIN AND REcede BELOW THE SURFACE. DESPITE SPOTTY LEADERSHIP, RABIN APPEARS NOT TO BE IN IMMINENT DANGER AND CURRENT COALITION COULD CONTINUE IN OFFICE FOR INDEFINITE FUTURE. AT SAME TIME, OTHER OPTIONS NOTED ABOVE CANNOT BE RULED OUT. MOST SERIOUS ASPECT OF CURRENT ISUTATION, AS ONE WELL-PLACED JOURNLAIST COMMENTED TO US, IS THAT DOMESTIC POLITICAL INFIGHTING MAY BE MISINTERPRETED BY ARAB STATES AS SIGN OF WEAKNESS WHICH COULD LEAD TO SERIOUS MISCALCULATION ON THEIR PART. HE RECALLED THAT THIS HAPPENED IN 1967 WHEN, AS HE PUT IT, ASSER CAME TO CONCLUSION THAT ESHKOL GOVERNMENT WOULD BE TOO WEAK TO RESPOND EFFECTIVELY TO EGYPTIAN "THRESHOLD POLICY" WHICH EVENTUALLY CULMINATED IN SIX DAY WAR. FROM U.S. FOREIGN POLICY VIEWPOINT, CURRENT WEAKNESS OF RABIN GOVERNMENT CLEARLY AFFECTS ITS ABILITY TO TAKE IMPORTANT DECISIONS, AND REINFORMCES RABIN'S PREFERENCE FOR BUYING TIME AND MOVING SLOWLY.

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Message Attributes

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Disposition Approved on Date:
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Disposition Date: 28 MAY 2004
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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